Sean Parnell, Governor Emil Notti, Commissioner Robert M. Pickett, Chairman

January 20, 2010

Jeffery Williams
PCE Program Manager
Alaska Energy Authority
813 West Northern Lights Blvd.
Anchorage, AK 99503

Subject: Suspension of Power Cost Equalization (PCE) Disbursements to City of St. Paul (ST.

PAUL)

Dear Mr. Williams,

On May 18, 2005, the Commission issued Letter Order L0500265, prescribing fuel and purchased power cost reporting due dates for nonregulated Power Cost Equalization (PCE) participating utilities.

Nonregulated participating utilities are required to file a periodic report on the dates and form prescribed by the Commission; ST. PAUL was required to file by December 31, 2009. Commission records show that as of January 20, 2010, the Commission has not received the fuel and purchased power cost reporting filing for ST. PAUL.

Pursuant to 3 AAC 52.680(e)<sup>1</sup>, we hereby recommend suspension of PCE disbursements to ST. PAUL until the fuel and purchased power cost reporting form is filed and the Commission calculates revised PCE levels.

If you have any questions regarding this letter, please contact Utility Financial Analyst Kevin AufDerHeide at (907) 263-2131.

Sincerely,

REGULATORY COMMISSION OF ALASKA

Robert M. Pickett Chairman

CC: Wanda Melovidov

Accounting Supervisor

St. Paul Municipal Electric Utility

P.O. Box 901

St. Paul Island, AK 99660

<sup>1</sup> If a participating electric utility fails to file its periodic fuel or purchased power cost report when due, the PCE becomes interim and refundable on the date the report was due, and the Commission may recommend that further PCE disbursements to the utility be suspended until the utility files its periodic fuel or purchased power cost report and the commission establishes permanent PCE rates.